

17 August 1964

MEMORANDUM FOR: The Record

SUBJECT : Property Accounting Procedures for Selected Items Processed through the TSD 958 Type II Account, 1 July 1964.

REFERENCES : A. Inspector General's Survey of TSD.
B. Chief, TSD Memorandum to SSA/DDS, dated 17 June 1964, Subject: Request for DDS Assistance.
C. [REDACTED], dated 26 September 1961.
D. TSD Support Announcements 60-63, 62-63, 43-64, 55-64 and 63-64.

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1. Pending more definitive guidance from the Office of Logistics the ensuing instructions are provided to cover "Property Accounting Procedures" as they relate to the costing, pricing, accountability and movement of selected equipment through the TSD 958 type II account.

2. These instructions are premised on [REDACTED] and the referenced TSD Support Announcements. It is not intended that they abrogate these in any way. 25X1A

3. For the purpose of this instruction "selected equipment" is broadly categorized as:

(a) Custom modifications of stock and/or special purchase items acquired through either TSD sponsored Work Authorization Contracts (external) or TSD Quick Reaction Facility Work Orders (in-house).

(b) Custom-made, so-called "one of a kind", or limited production equipment, acquired through Work Authorization Contracts or Quick Reaction Facility Work Orders.

(c) Prototypes, pre-production models, developmental lots, and other residue acquired through D & E contracts.

4. When currently stocked or special purchase items are required for a custom modification, the items will be requisitioned for the 958 account on a standard form 88. The requisition will be appropriately costed and processed through the Office of Logistics in the usual manner.

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25X1A 5. Upon receipt of the requisitioned materiel, the transaction will be entered on the Property Control Register (form 1329) and the Materiel Record (form 1331) completed as outlined in [REDACTED] para 5-f.

6. The items will be issued for the requisite modification as a "Loan Issue" to the officer responsible for the modification. An All-Purpose Property Transaction Record (form 1330) will be completed as outlined in [REDACTED] para 6-b. 25X1A

7. When the "Loan Issue" items are, in effect, returned to the account, as now represented by the modification, the following steps will be taken:

25X1A a. An All-Purpose Property Transaction Record (form 1330) will be prepared listing the items as a "No Recovery Issue" as outlined in [REDACTED] para 6-(a). All "Loan Issue" items destroyed, cannibalized, or made non-recoverable in effecting the modification will also be included.

b. A properly executed "Certificate of Expenditure" will be included in the "Remarks" section.

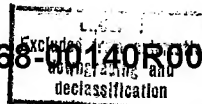
c. The modification will be re-identified on a Materiel Record (form 1331). Nomenclature and other basic technical information will be included in the description.

25X1A d. An All-Purpose Property Transaction Record (form 1330) reflecting the acquisition will be prepared as outlined in [REDACTED] para 6 n. The documents dropping the "Loan Issue" and picking up the so-called "Found on Post" will be cross-referenced in every instance.

25X1A e. For accountability and record purposes the appraised value of the modification is set at \$57.50. *

25X1A * NOTE: [REDACTED] para 13, provides a variety of methods for establishing price. Since the intangible costs incident to acquiring the item are disproportionate to the intrinsic value of the finished item the arbitrary price of \$57.50 has been chosen largely for identification and accountability purposes. Further all costs incident to the acquisition of the item will have been costed previously to some single or combination of activities. Although the modification may of necessity process through a type I account [REDACTED] on the way to another using activity the recosting of \$57.50 is not considered to be prohibitive. It might be viewed as a bookkeeping charge, forcing continued accountability and identification of the item.

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8. Transfer of subject item from the 958 account to any other using activity will conform with all procedures established in [REDACTED] para 7.

9. When materiel is acquired as categorized in group (b), i.e., no accountable property is involved prior to the delivery of the finished item to the 958 account, all procedures including the certification of the no recovery issue are eliminated.

10. First step in the sequence is the identification of the item on a Materiel Record (form 1331). All subsequent procedures including the pricing at \$57.50 are identical to those outlined for category (a) materiel.

11. When materiel is acquired as categorized in group (c), i.e., D & E residue, the procedures will be identical to those for category (b) materiel including identification and pricing at \$57.50.

12. Exceptions to the pricing formula of \$57.50 as used in this instruction may only be made by direction of the TSD equipment panel. Such exceptions will be properly annotated in the 958 record.

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[REDACTED]
Deputy Chief, TSD/Support Staff

Attachments:

TSD Support Announcements
as listed (ref D)

Distribution:

Original - SSA/DDS, w/att
1 - Director, Office of Logistics, w/att
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